

An aerial photograph of a dense urban landscape, likely London, featuring a mix of historic and modern architecture. In the foreground, there are large, modern buildings with glass facades and flat roofs. A prominent white building with a classical tower is visible in the center. The background shows a vast expanse of city buildings under a sky filled with large, white, fluffy clouds. The text "Banking System of Great Britain" is overlaid in a large, red, italicized font across the middle of the image.

# ***Banking System of Great Britain***



# 1979

**the law on banking activity**

credit institutions

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graph TD; A[credit institutions] --> B[recognized banks]; A --> C[licensed companies accepting deposits];
```

recognized banks

licensed companies  
accepting deposits

# The banking system of GB

- Level 1: Central Bank
- Level 2: Commercial Banks  
Specialized Banks:
  - Trading
  - Foreign
  - Savings Banks
  - Discount Houses



A photograph of the Bank of England building in London, a grand neoclassical structure with a portico of columns. A red double-decker bus is partially visible in the bottom left corner. In the background, modern glass skyscrapers and construction cranes are visible against a blue sky with clouds.

**Central Bank of Great Britain**

**Bank of England**

**Founded in 1694**

**1268 shareholders**

**1200 pounds**

**Nationalized in 1946**

# **The role of the Central Bank**

- emission of banknotes
- Influence on the size of cash reserves of banks and money stock
- the adviser of the government concerning monetary and credit policy
- operations on management of official gold and exchange currency reserves
- regulation of an exchange rate of pound sterling



# **Supervision of banking system**

- Accounts of other banks
- Accounts of the government and the governmental departments
- Management of a public debt

# Commercial Banks

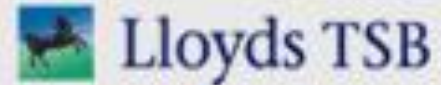
***“the great four”:***

National Westminster

Barclays

RBS

Lloyds



# Passive operations:

- reception of deposits:
  - deposits at call
  - deposit accounts
  - savings deposits



# Active operations:

- discount loans
- investments in securities

# Specialized banks

- Trading banks
- Foreign banks
- Savings banks